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May 19, 2003

The Honorable Sara Kyle, Chairman
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0505

Dear Chairman Kyle:

**RE: Resale Agreement – National Telecom & Frontier
Docket No. 03-00308**

Enclosed for TRA approval are an original and 14 copies of an Agreement for Resale between Citizens Telecommunications Company of Tennessee, LLC d/b/a Frontier Communications of Tennessee and National Telecom, LLC. This filing corrects a previous filing made on April 22, 2003, when we inadvertently filed for approval of an Interconnection Agreement instead of a Resale Agreement.

Please stamp as received the additional copy and return it in the enclosed envelope.

If you have any questions, please call me at 304-325-1216.

Sincerely,

J. Michael Swatts
State Government Affairs Director – South

Enclosure

**AGREEMENT FOR
RESALE**

between

**Citizens Telecommunications Company of Tennessee, LLC d/b/a Frontier
Communications of Tennessee, LLC**

and

National Telecom, LLC.

Dated: May 5, 2003

**AGREEMENT FOR
RESALE**

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ATTACHMENT 1 – RESALE OF LOCAL SERVICES

ATTACHMENT 2 - PRICING

AGREEMENT FOR RESALE

This Agreement For Resale ("Agreement") made this 5th. day of May, 2003, is by and between Citizens Telecommunications Company of Tennessee LLC d/b/a Frontier Communications of Tennessee LLC, a Delaware corporation, having its principal place of business at 180 South Clinton Avenue, Rochester, New York 14646 ("Citizens") and National Telecom, LLC, a Tennessee Limited Liability Company, having its principal place of business at 1205 Lantana Road, Crossville, Tennessee 38555 ("Carrier"). Citizens and Carrier may also be referred to herein singularly as a "Party" or collectively as "the Parties".

SECTION 1. RECITALS AND PRINCIPLES

Citizens is a telecommunications company authorized to provide telecommunications services in the State of Tennessee; and

Carrier is a telecommunications company authorized by the Commission to provide local exchange telecommunications services in the State of Tennessee; and

The Parties have in good faith negotiated, and agreed on resale terms and conditions as set forth below; and

In consideration of the mutual provisions contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Carrier and Citizens hereby covenant and agree as follows:

SECTION 2. GENERAL DEFINITIONS

Except as otherwise specified herein, the following definitions will apply to all sections contained in this Agreement. Additional definitions that are specific to the matters covered in a particular section may appear in that section.

2.1. Access Services is a service that connects interexchange carriers to their customers located within a local access and transport area (LATA). Access service is used in originating and terminating interLATA telecommunications.

2.2. Access Service Request (ASR) means the industry standard forms and supporting documentation used for ordering access services. The ASR will be used to identify the specific trunking and facilities request for interconnection.

2.3. Act means the Telecommunications Act of 1996, as amended from time to time.

2.4. Automatic Number Identification (ANI) refers to the number transmitted through the network identifying the calling party.

2.5. Competitive Local Exchange Carrier (CLEC) means a telephone company certificated by the Commission of Citizens' franchised area to provide local exchange service within Citizens' franchised area, and which has a Local Exchange Carrier Tariff approved by the applicable Commission.

2.6. CLLI Codes means Common Language Location Identifier Codes

2.7. Commission means the governing state regulatory commission, board or authority (PSC, PUC, etc.).

2.8. DS1 is a digital signal rate of 1.544 Megabits per second ("Mbps")

2.9. DS3 is a digital signal rate of 44.736 Mbps.

2.10. Enhanced Services shall refer to services, offered over common carrier transmission facilities, which employ computer processing applications that act on the format, content, code, protocol or similar aspects of the subscriber's transmitted information; provide the subscriber additional, different, or restructured information; or involve subscriber interaction with stored information. Internet, information services, voicemail, and so-called "chat line" services are enhanced services.

2.10. Exchange Message Interface (EMI) is the standard used for exchange of telecommunications message information between telecommunications providers for billable, non-billable, sample, settlement and study data. EMI format is contained in ATIS/OBF-EMI-016, an Alliance of Telecommunications Industry Solutions (ATIS) document which, defines industry standards for exchange message records.

2.11. Interconnection in this Agreement is as defined in the Act.

2.12. Local Exchange Routing Guide (LERG) is a Telcordia reference document used by Carriers to identify NPA-NXX routing and homing information as well as network element and equipment designations.

2.13. Local Traffic IntraLATA traffic that is originated by either Citizens or Carrier and is terminated on the other parties network. Local traffic excludes intraLATA toll traffic originated by Citizens if Citizens is not the end user's chosen intraLATA or interLATA carrier. If Carrier is a CMRS provider, Local Traffic includes calls originated and terminated in the same Major Trading Area. For the purposes of this paragraph, Local Traffic will be based on the originating and terminating NPA-NXX of each call.

2.14. Local Service Provider Guide (the "Guide") means the document provided to Carrier by Citizens, included by reference herein, which outlines the process and procedures for ordering and maintaining Carrier Services. This document may be updated from time to time by Citizens. This document is to be used as reference only and is not a part of this agreement.

2.15. Local Switched Access Service means an offering of facilities for the purpose of the origination or termination of traffic from or to local exchange service customers in a given area pursuant to a switched access tariff.

2.16. Meet-Point Billing (MPB) refers to a billing arrangement used when two telecommunications Carriers jointly provide a Switched Access Service over meet point trunks, with each Carrier receiving an appropriate share of the revenues. The access services will be billed using Switched Access rate structures, and the Carriers will decide whether a single bill or multiple bill will be sent.

2.17. Multiple Exchange Carrier Access Billing (MECAB) refers to the document prepared by the Billing Committee of the Ordering and Billing Forum ("OBF"), which functions under the auspices of the Carrier Liaison Committee ("CLC") of the Alliance for Telecommunications Industry Solutions ("ATIS"). The MECAB document, published by ATIS/OBF-MECAB-006, contains the recommended guidelines for the billing of an access service provided by two or more LECs (including a LEC and a Carrier), or by one LEC, in two or more states within a single LATA.

2.18. Multiple Exchange Carriers Ordering and Design (MECOD) Guidelines for Access Services - Industry Support Interface, refers to the document developed by the Ordering/Provisioning Committee under auspices of the Ordering and Billing Forum ("OBF"), which functions under the auspices of the CLC of the ATIS. The MECOD document, published as Special Report SR STS-002643, establishes recommended guidelines for processing orders for access service which is to be provided by two or more LECs (including a LEC and a Carrier).

2.19 Network Interface Device (NID) is a device that connects the inside wire at the end user's customer premises to a telephone network.

2.20. Point of Interconnection (POI) means the physical location(s) at which the Parties' networks meet for the purpose of exchanging local traffic.

2.21. Rating Point is the V&H coordinates associated with a particular telephone number for rating purposes.

2.22 Reciprocal Compensation is as Described in the Act.

2.23. Wire Center denotes a building or space within a building which serves as an aggregation point on a given Carrier's network, where transmission facilities and circuits are connected or switched. Wire Center can also denote a building in which one or more central offices, used for the provision of basic exchange services and access services, are located. A wire center is the location of one or more local switching systems, a point at which end users' loops converge.

SECTION 3. DEPOSIT and ADVANCE PAYMENT REQUIREMENTS

3.1 Citizens may, in order to safeguard its interest, require Carrier to make a deposit to be held by Citizens as a guarantee of the payment of rates and charges, unless satisfactory credit has already been established. Any such deposit may be held during the continuance of the service as security for the payment of any and all amounts accruing for the service.

3.2. Such deposit may not exceed two (2) months' estimated billing.

3.3. The fact that a deposit has been made in no way relieves Carrier from complying with Citizens' regulations as to advance payments and the prompt payment of bills on presentation nor, does it constitute a waiver or modification of the regular practices of Citizens providing for the discontinuance of service for non-payment of any sums due Citizens.

3.4. Citizens reserves the right to increase the deposit requirements when, in its sole judgment, the conditions justify such action; such conditions include but are not limited to: current deposit does not cover two (2) months billing, history of late payment, or reconnection after disconnection for non-payment.

3.5. In the event that Carrier defaults on its account, service to Carrier will be terminated and any deposits held will be applied to its account.

SECTION 4. COORDINATION OF TRANSFER OF SERVICE (EXCLUDING RESALE)

4.1. Coordination of Transfer of Service. To serve the public interest of end users, the Parties agree that, when an end user transfers service from one Party to the other Party, it is necessary for the Parties to coordinate the timing for disconnection from one Party and connection with the other Party so that transferring end users are not without service for any extended period of time. Other coordinated activities associated with transfer of service will be coordinated between the Parties to ensure quality services to the public.

4.2. Procedures for Coordinated Transfer of Service Activities. The Parties agree to establish mutually acceptable, reasonable, and efficient transfer of service procedures that utilize the industry standard LSR format for the exchange of necessary information for coordination of service transfers between the Parties. Citizens may describe some of these procedures in its Guide. Reference to Citizens' Guide is for convenience of the Parties and is not intended to be a part of or to affect the meaning of this Agreement, including, but not limited to, provisions with respect to implementation of the cooperative coordination of transfer of service activities described in this Section. If any provision contained in this

main body of the Agreement and Citizens' Guide cannot be reasonably construed or interpreted to avoid conflict, the provision contained in this main body of this Agreement shall apply.

4.3. Coordinated Transfer of Service Activities. There will be no premium charges between the Parties or compensation provided by one Party to the other Party for the coordinated transfer of service activities between the hours of 8:00 a.m. and 5:00 p.m. Citizens may charge Carrier for the coordinated transfer of service activities scheduled outside of the specified hours at the usual and customary hourly labor rates.

4.4. Letter of Authorization. Each Party is responsible for obtaining a Letter of Authorization (LOA) from each end user initiating transfer of service from one Party to the other Party. The Party obtaining the LOA from the end user will furnish it to the other Party upon request. The Party obtaining the LOA is required to maintain the original document, for a minimum of twenty-four (24) months from the date of signature. Such LOA may be a blanket LOA or other form agreed upon between Citizens and Carrier authorizing the release of such information to Carrier or, if state or federal law provides otherwise, in accordance with such law. Transmission of the LOA by facsimile is preferred in order to expedite order processing.

4.5. Disconnect and Transfer of Service Announcement Coordination for Service Transfers with Change of Number. Where an end user changes service from one Party to the other Party and the end user does not retain his or her original telephone number, the Party from which the end user is transferring will honor requests for disconnect and service announcement initiation from the Party to which the end user is transferring. The Party to which the end user is transferring service will provide to the other Party the end user's name, address, current telephone number, new telephone number, and date service should be transferred using the industry standard LSR format. The Party from which the end user is transferring will coordinate with the other Party the disconnect and service announcement initiation to coincide with the service transfer request date. The service announcement will be provided on the vacant number upon disconnect coinciding with the service transfer date. The Parties agree that the installation date will precede the disconnection date.

4.6. Disconnect and Coordination of Number Portability for Service Transfers without Change of Number. Where an end user changes service from one Party to the other Party and the end user retains his or her original telephone number(s), the Party from which the end user is transferring will honor requests for disconnect and local number portability from the Party to which the end user is transferring. The Party to which the end user is transferring will provide the other Party the end user's name, address, current telephone number, and the call forwarding number to which the telephone number should be forwarded (Interim Number Portability) or the Location Routing Number (LRN) for LNP, and date service should be transferred using the industry standard LSR format. With LNP, the Parties will coordinate the disconnect, connect, and number portability activities in accordance with the North American Numbering Council (NANC) flows.

4.7. Combined Transfer of Service Requests. Each Party will accept transfer of service requests from the other Party for one end user that includes multiple requests for transfers where the end user will retain one or more telephone numbers.

4.8. Bulk Requests for Transfer of Service. From time to time, either Party may benefit from the transfer of service for groups. The Parties agree to process bulk transfer of service requests for end users having the same billing account number.

4.9. Access to the Network Interface Device (NID). Each Party will allow the other Party access to the customer side of the NID consistent with FCC rules. The Party to which the end user is transferring service may move all inside wire from the other Party's existing NID to one provided by the Party to which the end user is transferring service. Where a NID is of the type which provides for customer access to one side of the NID, the Party to which the end user is transferring service may elect to remove the inside wire at the connection(s) within the customer side of the NID. Where a NID is of an

older type not allowing access to the customer side of the NID, the Party to which the end user is transferring service must make a clean cut of the inside wire at the closest point to the NID.

4.10 Expedited Order Charge. Expedited order requests will be accepted where reasonable and practical but will be assessed an expedited order charge. That charge is calculated by multiplying the total nonrecurring installation charge for the quantity ordered times the number of Business Days from the requested service date to the last date of the service date interval described in the Guide, and dividing that figure by the total number of Business Days within the applicable service date interval. Further discussion and an example of the calculation of the expedited order charge is found in the Preorder Section, Due Date Guidelines, in the Guide. Citizens will notify Carrier of additional expedite charges, including any additional charges for work efforts outside of normal scheduled business hours, prior to the start of any provisioning activities.

4.11 Service Date Modifications/ Customer Not Ready. Carrier may request a change in due date prior to the originally scheduled due date without additional charges if the new service date is requested during normal business hours and no additional or alternate workforce is needed to complete the modification. Alternate workforce is required when an increase in the complexity of the service order results in a higher per hour rate. If the new service date is changed to an earlier date, than expedited order charges will apply. If the request for modification to the service date occurs within twenty-four (24) hours of the scheduled due date, Carrier will be subject to charges for work and labor-related expenses already completed. If the due date change is requested due to a class of service change, additional and/or alternate workforce may be required and associated charges will apply. These charges will apply on a per occurrence basis.

SECTION 5. AUDIT

5.1 Subject to the terms and conditions of this Section, the restrictions set forth in Section 22 of the General Terms and Conditions and the reasonable security requirements of each Party and except as may be otherwise specifically provided in this Agreement, each Party (the "Auditing Party") may audit the other Party's (the "Audited Party") books, records and other documents that relate solely to the Parties' billing to the other Party under this Agreement and to the identification of traffic subject to this Agreement, once each year at the conclusion of each calendar year, in order evaluate the accuracy of such other Party's billing and invoicing. The Parties may employ other persons or firms for this purpose. Such audits shall take place at a time and place agreed to by the Parties no later than thirty (30) days after notice thereof to such other Party.

5.2 Each Audited Party shall promptly correct any billing error that is revealed in an audit, including reimbursing any overpayment in the form of a credit to the Auditing Party on the invoice for the first full billing cycle after the Parties have agreed upon the accuracy of the audit results. Any disputes concerning audit results shall be resolved pursuant to the procedures described in Section 6 of the General Terms and Conditions of this Agreement.

5.3 Each Audited Party shall cooperate fully in any such audit, providing reasonable access to any such auditors, providing reasonable access to any and all appropriate employees and relevant books, records and other documents reasonably necessary to assess the accuracy of its bills.

5.4 Each Auditing Party may perform a single additional audit of the Audited Party's relevant books, records and documents during any calendar year if the previous audit uncovered incorrect net variances or errors in invoices in favor of the Audited Party having an aggregate value of no less than five percent (5%) of the total amount payable by the Auditing Party during the period covered by the audit.

5.5 All audits shall be conducted at the sole cost and expense of the Auditing Party.

5.6 Upon (i) the discovery by either Party of the overcharges not previously reimbursed to the other Party or (ii) the resolution of disputed audits, each Party shall promptly reimburse to the Party thereto

the amount of any overpayment together with interest thereon at a rate per month equal to the lesser of 1.5% or the maximum permitted legal rate of interest for the number of days from the latter of: (1) the date the paying Party notifies the other Party of a specific bona fide dispute or claim of overcharges in writing, specifying the billing accounts and the specific charges in question, or (2) the date of the overpayment through but excluding the date such reimbursement is made. In no event, however, shall interest be assessed on any previously assessed or accrued late payment charges.

SECTION 6. DISPUTE RESOLUTION

The Parties agree that in the event of a default or any other dispute arising hereunder or in connection herewith, the aggrieved Party shall first discuss the default or dispute with the other Party and seek resolution prior to taking any action before any court or regulator or before authorizing any public statement about or disclosure of the nature of the dispute to any third party. Such conferences shall if necessary be escalated to the vice presidential level for each Party. In the event that the officers of the Parties shall be unable to resolve a default or other dispute, the Parties shall then submit the matter to the Tennessee Regulatory Authority for non-binding mediation. If mediation by the Tennessee Regulatory Authority is unsuccessful, recourse may be had by either Party to the Tennessee Regulatory Authority, if it has jurisdiction over the breach or dispute or to an appropriate court having jurisdiction over the Parties. Each Party shall bear the cost of preparing and presenting its case through all phases of the dispute resolution procedure herein described.

SECTION 7. FORCE MAJEURE

If the performance of the Agreement, or any obligation hereunder is prevented, restricted or interfered with by reason of any of the following:

- 7.1. Fire, explosion, flood, earthquake, hurricane, cyclone, tornado, storm, epidemic, breakdown of plant or power failure;
- 7.2. War, revolution, civil commotion, acts of public enemies, blockade or embargo;
- 7.3. Any law, order, proclamation, regulation, ordinance, demand or requirement of any government or any subdivision, authority, or representative of any such government;
- 7.4. Labor difficulties, such as strikes, picketing or boycotts;
- 7.5. Delays caused by other service or equipment vendors;
- 7.6. Any other circumstance beyond the reasonable control of the Party affected;

then the Party affected, upon giving prompt notice to the other Party, will be excused from such performance on a day-for-day basis to the extent of such prevention, restriction, or interference (and the other Party will likewise be excused from performance of its obligations on a performance so prevented, restricted or interfered with); provided that the Party so affected will use its best efforts to avoid or remove such causes of nonperformance and both Parties will proceed to perform with dispatch whenever such causes are removed or cease.

SECTION 8. REGULATORY APPROVALS

8.1 This Agreement, and any amendment or modification hereof, will be submitted to the Commission for approval in accordance with Section 252 of the Act. In the event any governmental authority or agency of competent jurisdiction rejects any provision hereof, the Parties shall negotiate promptly and in good faith such revisions as may reasonably be required to achieve approval.

8.2 In the event the FCC or the Commission promulgates rules or regulations, rates or issues orders, or a court with appropriate jurisdiction issues orders, which make unlawful any provision of this Agreement, the Parties shall negotiate promptly and in good faith in order to amend the Agreement to substitute contract provisions which are consistent with such rules, regulations or orders. In the event the Parties cannot agree on an amendment within thirty (30) days from the date any such rules, regulations or orders become effective, then the Parties shall resolve their dispute under the applicable procedures set forth in Section 6 (Dispute Resolution Procedures) hereof.

8.3 The Parties acknowledge that any terms of this Agreement were established pursuant to FCC and Commission orders. Any or all of the terms of this Agreement may be altered or abrogated by a successful challenge to the FCCs and Commission's decisions related to the Agreement as permitted by Applicable Law. By signing this Agreement, the Parties do not waive their right to pursue such a challenge.

SECTION 9. DIRECTORY LISTINGS AND DISTRIBUTION SERVICES

9.1. Carrier agrees to provide to Citizens or its publisher, as specified by Citizens, all subscriber list information (including additions, changes and deletions) for its customers and those of any resellers of Carrier services, located within Citizens operating areas.

9.2. Citizens will include Carrier's End User primary listings in the appropriate sections of its telephone directories (residence and business listings) as well as in any electronic directories in which Citizens' own End Users are ordinarily included. Listings of Carrier's End Users will be interfiled with listings of Citizens' Customers and the Customers of other LECs, in the local section of Citizens' directories.

9.3 Carrier will identify any of these subscribers that are "non-published" customers. Carrier will provide Citizens with the directory information for all its End Users in the format specified in the Citizens' Resale Guide. Subscriber list information will include customer name, address, telephone number, appropriate classified heading and all other pertinent data elements as requested by Citizens. Carrier will provide all subscriber listings at no charge to Citizens or its publisher.

9.4 Carrier's End Users' standard primary listing information in the telephone directories will be provided at no charge. Carrier will pay Citizens' tariffed charges for additional and foreign white page listings.

9.5 Both Parties will use their best efforts to ensure the accurate listing of Carrier's End User listings.

9.6 Citizens will accord Carrier directory listing information the same level of confidentiality which Citizens accords its own directory listing information. Carrier grants Citizens full authority to provide Carrier subscriber listings, excluding non-published telephone numbers, to other directory publishers and releases Citizens and its publisher from any liability resulting from the provisioning of such listings. In exchange for Citizens providing this subscriber list service, Citizens will charge, bill, collect and retain any monies derived from the sale of Carrier listings to other directory publishers.

9.7 Citizens will distribute its telephone directories to Carrier's End Users in a manner similar to the way it provides those functions for its own end users.

9.8 Carrier will adhere to all practices, standards, and ethical requirements of Citizens with regard to listings, and, by providing Citizens with listing information, warrants to Citizens that Carrier has the right to place such listings on behalf of its End Users. Carrier agrees that it will undertake commercially practicable and reasonable steps to attempt to ensure that any business or person to be listed is authorized and has the right to provide the product or service offered, and to use any personal or corporate name, trade name, or language used in the listing. In addition, Carrier agrees to release,

defend, hold harmless and indemnify Citizens from and against any and all claims, losses, damages, suits, or other actions, or any liability whatsoever, suffered, made, instituted, or asserted by any person arising out of Citizens' listing of the information provided by Carrier hereunder.

9.9 Citizens' liability to Carrier in the event of a Citizens' error in or omission of a listing will not exceed the amount of charges actually paid by Carrier for such listing. In addition, Carrier agrees to take, with respect to its own End Users, all reasonable steps to ensure that its' and Citizens' liability to Carrier's End Users in the event of a Citizens' error in or omission of a listing will be subject to the same limitations that Citizens' liability to its own End Users are subject to.

SECTION 10. ENTIRE AGREEMENT

This Agreement sets forth the entire understanding and supersedes prior agreements between the Parties relating to the subject matter contained herein and merges all prior discussions between them, and neither Party will be bound by any definition, condition, provision, representation, warranty, covenant or promise other than as expressly stated in this Agreement or as is contemporaneously or subsequently set forth in writing and executed by a duly authorized officer or representative of the Party to be bound thereby.

SECTION 11. TERM OF AGREEMENT

11.1 This Agreement shall become effective upon the first business day following the date this Agreement has been approved by the Tennessee Regulatory Authority and continue until March 1, 2004 and shall automatically renew for ninety (90) day periods thereafter unless one party gives the other party written notice of termination not less than sixty (60) days prior to the end of initial or any renewal terms.

11.2 In the event of breach of any material provision of this Agreement by either Party, the non breaching Party shall give the other Party written notice thereof, and:

11.2.1 If such material breach is for non-payment of amounts due hereunder, the breaching Party shall cure such breach within thirty (30) days of receiving such notice. The non-breaching Party shall be entitled to pursue all available legal and equitable remedies for such breach. Amounts disputed in good faith and withheld or set off shall not be deemed "amounts due hereunder" for the purpose of this provision. Neither Party shall withhold or set off undisputed amounts.

In addition, if such material breach is for non-payment of amounts due hereunder and such amounts have not been disputed, the non-breaching Party may:

- (1) refuse additional applications for any service provided under this Agreement;
- (2) refuse to complete any pending orders for the Affected Services any time thereafter, and/or;
- (3) on thirty (30) days' written notice by overnight delivery or certified U.S. mail, with a copy to the Tennessee Regulatory Authority (Commission), to the person designated to receive such notice, discontinue the provision of existing Affected Services at any time thereafter.

If the non-breaching Party does not refuse additional applications for the Affected Services, and the non-payment continues, nothing contained herein shall preclude the non-breaching Party from refusing additional applications for the Affected Services without further notice. If the non-breaching Party discontinues provision of the Affected Services, all applicable charges, including termination charges, shall become due. If the non-breaching Party does not discontinue the provision of the Affected Services on the date specified in the thirty (30) days' notice, and the nonpayment continues, nothing

contained herein shall preclude the non-breaching Party from discontinuing the provision of the Affected Services without further notice.

Citizens reserves the right to refuse an application for an Affected Service made by any entity that owns or is substantially owned, directly or indirectly, by or is under common control with, Carrier, so long as Carrier or any such entity is indebted to Citizens for the Affected Services previously furnished, until the indebtedness is satisfied. In the event that Affected Services are provided to Carrier or an entity that owns or is substantially owned, directly or indirectly, by or is under common control with, Carrier, such services may be terminated by Citizens unless Carrier satisfies the indebtedness relating to the Affected Services within thirty (30) days after written notification. Such notification shall be made by certified U. S. mail to the person designated by Carrier to receive such notices. Copies of such notice shall be mailed to the Tennessee (Commission), concurrently with the mailing to Carrier.

11.3.2 If such material breach is for any failure to perform in accordance with this Agreement, which, in the sole judgment of the non-breaching Party, adversely affects the non-breaching Party's subscribers, the non-breaching Party shall give notice of the breach and the breaching Party shall cure such breach within a period of time equivalent to the applicable interval required by this Agreement, and if breaching Party does not, the non-breaching Party may, at its sole option, terminate this Agreement. The non-breaching Party shall be entitled to pursue all available legal and equitable remedies for such breach.

11.4 Upon termination or expiration of this Agreement: each Party shall promptly pay all amounts (including any late payment charges) owed under this Agreement.

SECTION 12. EFFECTIVE DATE

This Agreement will become effective upon approval by the Tennessee Regulatory Authority.

SECTION 13. AMENDMENT OF AGREEMENT

No provision of this Agreement shall be deemed waived, amended or modified by either Party unless such a waiver, amendment or modification is in writing, dated, and signed by both Parties.

SECTION 14. WAIVERS

14.1 No waiver of any provisions of this Agreement and no consent to any default under this Agreement shall be effective unless the same shall be in writing and properly executed by or on behalf of the Party against whom such waiver or consent is claimed.

14.2 No course of dealing or failure of any Party to strictly enforce any term, right, or condition of this Agreement in any instance shall be construed as a general waiver or relinquishment of such term, right or condition.

14.3 Waiver by either Party of any default by the other Party shall not be deemed a waiver of any other default.

14.4 By entering into this Agreement, neither Party waives any right granted to it pursuant to the Act.

SECTION 15. INDEPENDENT CONTRACTORS

Each Party agrees that it will perform its obligations hereunder as an independent contractor and not as the agent, employee, or servant of the other Party. Neither Party nor any personnel furnished by such Party will be deemed an employee or agent of the other Party nor be entitled to any benefits available under any plans for such other Party's employees. Each Party will at all times during the term of this Agreement retain full control of the employment, direction, compensation and discharge of all employees as is consistent with and necessary to preserve its independent contractor status. Each Party will be solely responsible for all matters relating to payment of its employees including compliance with social security taxes, withholding taxes, worker's compensation, disability and unemployment insurance, and all other regulations governing such matters.

SECTION 16. LIMITATION OF LIABILITY

EXCEPT AS OTHERWISE PROVIDED HEREIN, NEITHER PARTY WILL BE LIABLE TO THE OTHER IN CONNECTION WITH THE PROVISION OR USE OF SERVICES PROVIDED UNDER THIS AGREEMENT. NEITHER PARTY WILL BE LIABLE TO THE OTHER FOR ANY LOSS, COST, CLAIM, INJURY, LIABILITY OR EXPENSE, INCLUDING REASONABLE ATTORNEY'S FEES, RELATING TO OR ARISING OUT OF ANY ORDINARY NEGLIGENT ACT OR OMISSION BY A PARTY. IN NO EVENT WILL EITHER PARTY BE LIABLE TO THE OTHER FOR ANY INDIRECT, SPECIAL, INCIDENTAL, OR CONSEQUENTIAL DAMAGES, INCLUDING, BUT NOT LIMITED TO, LOSS OF PROFITS, INCOME OR REVENUE, EVEN IF ADVISED OF THE POSSIBILITY THEREOF, WHETHER SUCH DAMAGES ARISE OUT OF BREACH OF CONTRACT, BREACH OF WARRANTY, NEGLIGENCE, STRICT LIABILITY, OR ANY OTHER THEORY OF LIABILITY AND WHETHER SUCH DAMAGES WERE FORESEEABLE OR NOT AT THE TIME THIS AGREEMENT WAS EXECUTED.

SECTION 17. INDEMNITY

17.1 Each Party will indemnify and hold the other harmless from any liabilities, claims or demands (including the costs, expenses and reasonable attorney's fees on account thereof) that may be made by third parties for (a) personal injuries, including death, or (b) damage to tangible property resulting from the sole negligence and/or sole willful misconduct of that Party, its employees or agents in the performance of this Agreement. Each Party will defend the other at the other's request against any such liability, claim, or demand. Each Party will notify the other promptly of written claims or demands against such Party of which the other Party is solely responsible hereunder.

17.2 The Indemnified Party will notify the Indemnifying Party promptly in writing of any claims, lawsuits, or demands by third Parties for which the Indemnified Party alleges that the Indemnifying Party is responsible under this Section and if requested by the Indemnifying Party, shall tender the defense of such claim, lawsuit or demand.

(1) In the event the Indemnifying Party does not promptly assume or diligently pursue the defense of the tendered action, then the Indemnified Party may proceed to defend or settle said action and the Indemnifying Party shall hold harmless the Indemnified Party from any loss, cost, liability, damage and expense.

(2) In the event the Party otherwise entitled to indemnification from the other elects to decline such indemnification, then the Party making such an election may, at its own expense, assume defense and settlement of the claim, lawsuit or demand.

(3) The Parties will cooperate in every reasonable manner with the defense or settlement of any claim, demand, or lawsuit.

17.3 No liability shall attach to either Party, its parents, subsidiaries, affiliates, agents, servants or employees for damages arising from errors, mistakes, omissions, interruptions, or delays in the course of establishing, furnishing, rearranging, moving, termination, changing, or providing or failing to provide services or facilities (including the obtaining or furnishing of information with respect thereof or with respect to users of the services or facilities) in the absence of gross negligence or willful misconduct.

Notwithstanding any other provisions of this Agreement, Carrier shall defend and indemnify Citizens and shall hold Citizens harmless from and against any and all loss alleged to have been incurred by a customer of Carrier or any other third party to the extent such loss arises or is attributable to Carrier's performance or failure to perform.

SECTION 18. ASSIGNMENT

Any assignment or delegation by either Party to any non-Affiliated entity or to any Affiliated entity that is not certificated as a local exchange carrier of any right, obligation or duty, or of any other interest hereunder, in whole or in part, without the prior written consent of the other Party shall be void. A Party assigning or delegating this Agreement or any right, obligation, duty or other interest hereunder to an Affiliate that is certificated as a local exchange carrier shall provide written notice to the other Party. All obligations and duties of any Party under this Agreement shall be binding on all successors in interest and assigns of such Party. No assignment or delegation hereof shall relieve the assignor of its obligations under this Agreement.

SECTION 19. CONTROLLING LAW

This Agreement shall be governed by and construed in accordance with the Act, the FCC's Rules and Regulations, and the Tennessee Regulatory Authority Rules and Regulations, except insofar as state law may control any aspect of this Agreement, in which case the domestic laws of the state of New York, without regard to its conflicts of laws principles, shall govern.

SECTION 20. SEVERABILITY

Subject to Section 8 - Regulatory Approvals, if any part of this Agreement is held to be invalid for any reason, such invalidity will affect only the portion of this Agreement which is invalid. In all other respects this Agreement will stand as if such invalid provision had not been a part thereof, and the remainder of the Agreement shall remain in full force and effect.

SECTION 21. CHARGES AND PAYMENTS

21.1 In consideration of the services provided by Citizens under this Agreement, Carrier shall pay the charges set forth in this Agreement and in applicable tariffs. In consideration of the services provided by Carrier under this Agreement, Citizens shall pay the charges set forth in this Agreement and in applicable tariffs. Invoices with charges set forth in this Agreement and in applicable tariffs shall be sent to:

To Carrier:
National Telecom, LLC.
Attention: Robert E. Jones
1205 Lantana Road
Crossville, Tennessee 38555
Tel: (931) 484-0086
Fax: (931) 484-3574

To Citizens:
Frontier, A Citizens Communications Company
Attention: Access Verification
14450 Burnhaven Dr.
Burnsville, MN 55306

21.2 A monthly billing statement with a consistent, regular bill date shall be prepared by both Parties and will reflect the calculation of (i) reciprocal compensation due each Party and (ii) transit service compensation due Citizens, and (iii) any other tariffed or contracted service due each Party. All bills dated as set forth above will be due thirty (30) days after the bill date or by the next bill date (i.e., the same date in the following month as the bill date), whichever is the shortest interval, except as provided herein, and are payable in immediately available funds. If such payment date would cause payment to be due on a Saturday, Sunday or Legal Holiday, payment for such bills will be due on the last business day preceding the Saturday, Sunday or Legal Holiday. If such bills are not received at least twenty (20) days prior to the payment due date, then the bill(s) shall be considered delayed. When a bill has been delayed, the due date will be extended by the number of days the bill was delayed, upon request of the receiving Party.

21.2.1 Parties will compensate each other on verifiable records of actual usage.

21.3 Billing: The Parties agree that disputed and undisputed amounts due under this Agreement shall be handled as follows:

21.3.1 If any portion of an amount due to a Party (the "Billing Party") under this Agreement is subject to a bona fide dispute between the Parties, the Party billed (the Billed Party) shall within thirty (30) days of its receipt of the invoice containing such a disputed amount give written notice to the Billing Party of the amount it disputes ("Disputed Amounts") and include in such notice the specific details and reasons for disputing each item. The Billed Party shall pay when due all undisputed amounts to the Billing Party, and shall include a copy of the dispute with the payment of the undisputed amount.

21.3.2 In the event that a billing dispute is resolved in favor of the Billed Party, any payment of the disputed amount withheld pending settlement of the dispute shall not be subject to the late payment penalty.

21.3.3 In the event that a billing dispute is resolved in favor of the Billing Party, any payments withheld pending settlement of the dispute will be subject to the late payment penalty set forth in 21.3.4 following.

21.3.4 Undisputed amounts shall be paid when due as set forth in Section 21.2 above. If any portion of the payment is received by the Billing Party in funds that are not immediately available to the Billing Party, a late payment penalty shall be due to the Billing Party. The late payment penalty shall be 1.5% per month or 18% annually, or the maximum allowed by law, whichever is less.

21.4 Both Parties shall use the Dispute Resolutions Procedures as described in Section 6.

21.5 In consideration of the services provided under this Agreement, the Parties shall pay the charges set forth in this Agreement and applicable tariffs. Any service provided, that is not identified in agreement will be governed by applicable tariffs.

SECTION 22. DEFAULT

If either Party believes the other is in breach of this Agreement or otherwise in violation of law, it will first give sixty (60) days notice of such breach or violation and an opportunity for the allegedly defaulting Party to cure. Thereafter, the Parties will employ the dispute resolution procedures set forth in this Agreement.

SECTION 23. CONFIDENTIALITY AND PUBLICITY

23.1. All proprietary or confidential information ("Proprietary Information") disclosed by either Party during the negotiations and the term of this Agreement will be protected by both Parties in accordance with the terms of this Section 22.

23.2. As used in this Agreement, the term "Proprietary Information" will mean written, recorded, machine readable or other information provided in tangible form to one Party by the other Party regarding the above referenced subject matter and which is marked proprietary or confidential with the appropriate owner corporation name, e.g., "Citizens Proprietary". Information disclosed orally will not be considered proprietary unless such information is reduced to writing by the disclosing Party and a copy is delivered to the other Party within thirty (30) business days after such oral disclosure. The writing will also state the place, date and person(s) to whom disclosure was made.

23.3. Each Party agrees that it will not disclose any Proprietary Information of the other Party in whole or in part, including derivations, to any third party for a period of three (3) years from the date of disclosure unless the Parties agree to modify this Agreement to provide for a different nondisclosure period for specific materials. Neither Party will be liable for inadvertent or accidental disclosure of Proprietary Information of the other Party provided that:

23.3.1. each Party uses at least the same degree of care in safeguarding such Proprietary Information as it uses for its own proprietary information of like importance, and such degree of care will be reasonably calculated to prevent such inadvertent disclosure;

23.3.2. it limits access to such Proprietary Information to its employees and agents who are directly involved in the consideration of the Proprietary Information and informs its employees and agents who have access to such Proprietary Information of its duty not to disclose; and

23.3.3. upon discovery of any such inadvertent disclosure of Proprietary Information, it will endeavor to prevent any further inadvertent disclosure.

23.4. Information will not be deemed proprietary and the receiving Party will have no obligation with respect to any such information which:

23.4.1. is or becomes publicly known through no wrongful act, fault or negligence of the receiving Party; or

23.4.2. was known by the receiving Party or by any other affiliate or subsidiary of the receiving Party prior to disclosure, or is at any time developed by the receiving Party independently of any such disclosure; or

23.4.3. was disclosed to the receiving Party by a third party who was free of obligations of confidentiality to the disclosing Party; or

23.4.4. is disclosed or used by the receiving Party, not less than three (3) years following its initial disclosure or such other nondisclosure period as may be agreed in writing by the Parties; or

23.4.5. is approved for release by written authorization of the disclosing Party; or

23.4.6. is disclosed pursuant to a requirement or request of a governmental agency or disclosure is required by operation of law; or

23.4.7. is furnished to a third party by the disclosing Party without a similar restriction on the third party's rights.

23.5. Since either Party may choose not to use or announce any services, products or marketing techniques relating to these discussions or information gained or exchanged during the discussions, both Parties acknowledge that one is not responsible or liable for any business decisions made by the other in reliance upon any disclosures made during any meeting between the Parties or in reliance on any results of the discussions. The furnishing of Proprietary Information to one Party by the other Party will not obligate either Party to enter into any further agreement or negotiation with the other.

23.6. Nothing contained in this Agreement will be construed as granting to one Party a license, either express or implied, under any patent, copyright, or trademark, now or hereafter owned, obtained, controlled, or which is or may be licensable by the other Party.

23.7. All publicity regarding this Agreement and its Attachments is subject to the Parties' prior written consent.

23.8. Unless otherwise agreed upon, neither Party will publish or use the other Party's name, language, pictures, or symbols from which the other Party's name may be reasonably inferred or implied in any advertising, promotion, or any other publicity matter relating directly or indirectly to this Agreement.

SECTION 24. NO RIGHTS TO THIRD PARTIES

This Agreement will not provide any third party, including, but not limited to any End User customer of Carrier, with any remedy, claim, liability, reimbursement, cause of action, or other right in excess of those existing without reference to this Agreement.

SECTION 25. HEADINGS

The headings in this Agreement are for convenience and will not be construed to define or limit any of the terms herein or affect the meanings or interpretation of this Agreement.

SECTION 26. EXECUTION IN DUPLICATE

This Agreement may be executed in counterparts. Each counterpart shall be considered an original and such counterparts shall together constitute one and the same instrument.

SECTION 27. NOTICES

Except as otherwise provided herein, all notices or other communication hereunder shall be deemed to have been duly given when made in writing and delivered in person or deposited in the United States mail, certified mail, postage prepaid, return receipt requested, or delivered by prepaid overnight express mail, and addressed as follows:

To Carrier:

National Telecom, LLC
Robert E. Jones
President & Owner – National Telecom, LLC
1205 Lantana Road
Crossville, Tennessee 38501
Tel: (931)-484-0086
Fax: (931)-484-3574

To Citizens:

Frontier, A Citizens Communications Company
Attn: Carrier Services
180 S. Clinton Avenue
Rochester, NY 14646
Attn: Manager – Interconnection
Tel: (585) 777-7124
Fax: (585) 424-1196

Frontier, A Citizens Communications Company
Attn: Associate General Counsel
180 S. Clinton Avenue 7th Floor
Rochester, NY 14646

If personal delivery is selected to give notice, a receipt of such delivery shall be obtained. The address to which notices or communications may be given to either Party may be changed by written notice given by such Party to the other pursuant to this Section 26.

The Parties have caused this Resale Agreement to be executed on their behalf on the dates set forth below.

CARRIER

By: Robert E. Jones

Typed: Robert E. Jones

Title: President & Owner National Telecom, LLC.

Date: 5-7-03

CITIZENS

By: Kim Cook

Typed: Kim Cook

Title: Director Carrier Services

Date: 5/14/03

ATTACHMENT 1

RESALE OF LOCAL SERVICES

ATTACHMENT 1 – Resale of Local Services

Section 1. DEFINITIONS

- 1.1 End User Of Record means the entity responsible for placing orders or requests for service; requesting additions, rearrangements, maintenance or discontinuance of service, and making payment in full of charges incurred such as toll, directory assistance, etc.
- 1.2 End User means the ultimate user of the telecommunications services being resold by Carrier. "End User" will mean an end user customer within Citizens' operating area, which is presently an End User of Citizens.
- 1.3 End User Customer Location means the physical location of the premises where an End User makes use of the telecommunications services.
- 1.4 Resale means an activity wherein a certificated Carrier, such as Reseller, subscribes to the retail telecommunications services of Citizens and then re-offers those telecommunications services to the public under its own company name.

SECTION 2. SERVICE TO END USERS

- 2.1 Carrier will be the End User of Record for all services purchased from Citizens. Except as otherwise specified herein, Citizens will only take orders from, bill and expect payment from Carrier for all services. Carrier will be Citizens' single point of contact for all services purchased pursuant to this Attachment.
- 2.2. Citizens will continue to bill the End User for any services that the End User specifies it wishes to receive directly from Citizens.
- 2.3. Citizens maintains the right to serve directly any End User within Citizens' serving area, that requests such service. Citizens will continue to directly market its own telecommunications products and services and in doing so may establish independent relationships with End Users of Carrier.
- 2.4. Neither Party will interfere with the right of any person or entity to obtain service directly from the other Party.
- 2.5. If Carrier requests service for an End User that has been denied service or disconnected for non-payment by Citizens, and the End User still has an outstanding balance with Citizens, Citizens will not establish service for that End User through Carrier until the outstanding balance is paid. Denied service means that the service of an End User provided by a local exchange telecommunications company, including Citizens, has been temporarily suspended for nonpayment and is subject to complete disconnection.
- 2.6 Telephone numbers associated with Citizens' retail telecommunication services offered for resale are assigned to the service furnished. Carrier has no property right to the telephone number or any other call number designation associated with services furnished by Citizens, and no right to the continuance of service through any particular central office. Citizens reserves the right to change such numbers, or the central office designation associated with such numbers, or both, consistent with telephone number conservation and administrative practices, such as NPA splits, generally prevailing in the local exchange telecommunications industry.
- 2.7. Service is furnished subject to the condition that it will not be used for any unlawful purpose.
- 2.8. Service will be discontinued by Citizens if any law enforcement agency advises that the service is being used in violation of the law.
- 2.9. Citizens may refuse to provide service to Carrier when it has reasonable grounds to believe that service will be used in violation of the law.

- 2.10. Carrier may purchase resale services from Citizens for its own use in operating its business.

Provided however it must hold it out and actually provide service primarily to end users other than itself or affiliated companies.

SECTION 3. CITIZENS' PROVISION OF SERVICES TO CARRIER

- 3.1. Carrier agrees that its resale of Citizens services will be as follows:

3.1.1. The telecommunications services available at a wholesale discount for resale by Carrier will be limited to End User services and uses conforming to the class of service restrictions in Citizens' Local Exchange Service Tariff in the Requested State and pursuant to all rules and regulations related to the provision of local exchange services promulgated by the applicable Commission.

3.1.2. If telephone service is established and it is subsequently determined that the class of service restriction has been violated, Carrier will be notified and billing for that service will be immediately changed to the appropriate class of service. Service charges for changes between class of service, back billing, and interest as described in this subsection will apply at Citizens' sole discretion. Interest will apply at the rate of 1.5% per month or 18% annually, or the maximum allowed by law, whichever is less, compounded daily for the number of days from the back billing date to and including the date that Carrier actually makes the payment to Citizens may be assessed.

3.2. Resold services can only be used in the same manner as specified in Citizens' Tariff filed in the Requested State. Resold services are subject to the same terms and conditions as are specified for such services when furnished to an individual End User of Citizens in the appropriate section of Citizens' Tariff. Specific Tariff features, e.g., a usage allowance per month, will not be aggregated across multiple resold services. Resold services cannot be used to aggregate traffic from more than one end user customer.

3.3. Carrier may resell Citizens' services only within the specific Citizens' service area as defined in Citizens' Tariff.

3.4. Telephone numbers transmitted via any resold service feature are intended solely for the use of the End User of the feature. Resale of this information is prohibited.

3.5. Law enforcement agency subpoenas and court orders regarding End Users of Carrier will be directed to Carrier. Citizens will bill Carrier for implementing any requests by law enforcement agencies regarding Carrier End Users. Citizens will cooperate fully with law enforcement agencies with subpoenas and court orders for assistance with Carrier's End Users.

3.6. Carrier may resell the tariffed retail local exchange services of Citizens subject to the terms and conditions specifically set forth herein and as described in Attachment 6, Section 6.5. attached hereto. Notwithstanding the foregoing, the following are not available for purchase: grandfathered services; promotional and trial retail service offerings of less than ninety (90) days duration; lifeline and linkup services; contract service arrangements; installment billing options; 911 and E911 services; interconnection services; legislatively or administratively mandated specialized discounts (e.g., educational institution discount) and discounted services to meet competitive situations.

3.7. White page directory listings will be provided in accordance with regulations set forth in Citizens' Local Exchange Service Tariff.

3.8. Carrier agrees to abide by the terms and conditions of the Guide, which is incorporated by reference herein.

3.9. Carrier is liable for all fraud associated with service to its End Users and accounts. Citizens takes no responsibility, will not investigate, and will make no adjustments to Carrier's account in cases of fraud unless such fraud is the result of an intentional misconduct or gross negligence of Citizens'. Notwithstanding the foregoing, if Citizens becomes aware of potential fraud with respect to Carrier's accounts, Citizens will promptly inform Carrier and, at the direction of Carrier, take reasonable action to mitigate the fraud where such action is possible. Further, notwithstanding the foregoing, if Carrier orders a resold line to be equipped with toll blocking, and Citizens fails to so equip the line, Citizens will not require Carrier to pay for intraLATA toll billed to that resold line after the due date of the order and prior to toll blocking being placed on the line. However, Carrier remains liable for intraLATA toll calls if the resold line is equipped with toll blocking by Citizens and an End User bypasses a blocking arrangement and makes toll calls by some other means.

3.10 Citizens is not able to provide 411 National and Local Directory Assistance blocking to Carrier at this time. Carrier remains liable for calls and charges to 411 National or Local Directory Assistance and any associated call completion charges.

SECTION 4. MAINTENANCE OF SERVICES

4.1. Services resold by Citizens will be maintained by Citizens, up to and including the Network Interface Device.

4.2. Carrier or its End Users may not rearrange, move, disconnect, remove or attempt to repair any facilities owned by Citizens, other than by connection or disconnection to any interface means used.

4.3. Carrier accepts responsibility to notify Citizens of situations that arise that may result in a service problem.

4.4. Carrier will be the single point of contact for all repair calls on behalf of Carrier's End Users.

4.5. Carrier will contact the appropriate repair centers in accordance with procedures established by Citizens.

4.6. For all repair requests, Carrier accepts responsibility for adhering to Citizens' prescreening guidelines prior to referring the trouble to Citizens.

4.7. Citizens will bill Carrier for handling troubles that are found not to be in Citizens' network pursuant to its standard time and material charges as set forth in Citizens' Tariff.

4.8. Citizens reserves the right to contact Carrier's End User if deemed necessary, for maintenance purposes in an emergency or as a result of a service call which Carrier may initiate.

SECTION 5. ESTABLISHMENT OF SERVICE

5.1. Carrier must provide the appropriate Citizens' representative the necessary documentation to enable Citizens to establish a master account for Carrier. Such documentation will include a completed Carrier Master Account Questionnaire, proof of authority to provide resold telecommunications services within Citizens' territory, proof that tariffs are on file and approved by the applicable Commission, and a tax exemption certificate, if applicable. Citizens will begin taking orders for the resale of service after the necessary documents have been provided to Citizens, necessary deposit requirements are met, and this Attachment has been approved by the appropriate Commission.

5.2. Service orders and preorders will be in a standard format designated by Citizens. Service order fees will apply as set forth in Citizens' Tariff.

5.3. When notification is received from Carrier that a current End User of Citizens will subscribe to National Telecom, LLC Resale Agreement CTC TN

Carrier's service, standard service order intervals for the appropriate class of service will apply.

5.4. When an existing End User of Citizens switches to Carrier, Carrier must provide Citizens with the end user line numbers and applicable feature detail, as set forth in the Guide.

5.5. Carrier will be the single point of contact with Citizens for all subsequent ordering activity resulting in additions or changes to resold services except that Citizens will accept a request directly from the End User for conversion of the End User's service from Carrier to Citizens or will accept a request from another Carrier for conversion of the End User's service from the Carrier to the other Carrier. Citizens will notify Carrier that such a request has been processed.

5.6. If Citizens determines that an unauthorized change in local service to an End User has occurred, Citizens will reestablish service with the appropriate local service provider and will assess Carrier if it is the Carrier initiating the unauthorized change, an unauthorized change charge of \$100 per occurrence, per line.

SECTION 6. DISCONTINUANCE OF SERVICE TO END USER

The procedures for temporarily denying or permanently disconnecting service to an End User are as follows:

6.1. Citizens will temporarily deny service to Carrier's End User on behalf of, and at the request of Carrier. Upon restoration of the End User's service, restoral charges will apply and will be charged to the master account of Carrier.

6.2. All requests by Carrier for temporary denial, restoration, or permanent disconnection of an End User for nonpayment must be in writing and must be on, or accompanied by, the appropriate ordering form. Carrier is responsible for compliance with regulatory requirements for termination and temporary disconnection of service to End User(s).

6.3. Carrier will be made solely responsible for notifying the End User, in advance, of the proposed temporary denial or permanent disconnection of the service.

6.4. Citizens will advise Carrier when it is determined that annoyance calls are originated from one of their End User's locations. Citizens will be indemnified, defended and held harmless by Carrier and/or the End User against any claim, loss, or damage arising from providing this information to Carrier. It is the responsibility of Carrier to take the corrective action necessary with its End Users who make annoying calls. Failure to do so will result in Citizens disconnecting the End User's service.

SECTION 7. DISCONTINUANCE OF SERVICE TO CARRIER

The procedures for discontinuing service to Carrier are as follows:

7.1. Citizens reserves the right to suspend or terminate service for nonpayment, or in the event of prohibited, unlawful or improper use of the facilities or service, abuse of the facilities, or any other violation or noncompliance by Carrier of the rules and regulations of Citizens' Tariff, or this Attachment.

7.2. If payment of account is not received by the Due Date, Citizens may provide written notice to Carrier, that the payment is overdue and that additional applications for service will be refused and that any pending orders for service will not be completed if payment is not received by the fifteenth day following the date of the notice. Nothing contained herein will preclude Citizens' right to refuse additional applications for service without further notice. Late payment fees as set forth in Section 21 will also apply. Notification costs will be charged to the Carrier.

7.3. If payment of account or formal notice of billing dispute as set forth in Section 21 is not received, or arrangements made, within thirty (30) days after the Due Date, the account will be considered in default and will be subject to denial, or disconnection, or both.

7.4. If Carrier fails to comply with the provisions of this Attachment, including any payments to be made by it on the dates and times herein specified, Citizens will provide thirty (30) days written notice of such noncompliance. If Carrier does not cure such noncompliance, Citizens may discontinue the provision of all existing services to Carrier at any time thereafter and Carrier will be obligated to notify its End Users that service will be discontinued. In the case of such discontinuance, all billed charges, as well as applicable termination charges, will become due. If Citizens does not discontinue the provision of the services involved on the date specified in the thirty (30) days notice, and Carrier's noncompliance continues, nothing contained herein will preclude Citizens' right to discontinue the provision of the services to Carrier without further notice.

7.5. If payment is not received or arrangements made for payment by the date given in the written notification, Carrier's services will be discontinued. Citizens will reestablish service at the request of Carrier upon payment of all amounts due and the appropriate connection fee and subject to Citizens' normal application procedures.

7.6. Where Carrier discontinues its provision of service to all or substantially all of its End Users, the Carrier must send advance written notice of such discontinuance to Citizens and to each of the Carrier's End Users. Such notice must include a verification that the Carrier has notified its End Users of the discontinuance, and must state the date on which such end user notice was mailed. If the End User fails to make other arrangements within fifteen (15) days of the date of notice provided by the Carrier, Citizens will continue to serve the End User at its retail rates.

ATTACHMENT 2

PRICING

2.1 RESALE Charges

2.1.1. Nonrecurring Charges:

A nonrecurring charge will apply when converting a Citizens account to a Carrier account or when changing an end user from one Carrier to another. The nonrecurring charge is discounted by 10% from Citizens rate for Records only Service Ordering Charges.

2.1.2. Basic Residential Line Service and Basic Business Line Service and Public Access Line Service will be discounted at 10%. Except as qualified in Attachment 1 – Resale, Section 3.6.

2.1.3. The following services are available for resale under this Attachment but are not included in the wholesale pricing reflected above:

Private Line Used for Special Access

2.2 Services not available for Resale:

- Grandfathered retail services
- Promotional and trial retail service offerings of less than ninety (90) days duration
- Lifeline and linkup services
- Individual case basis arrangements to meet competitive situations
- Contract service arrangements
- Installment billing options
- 911 and E911 services
- Interconnection services
- Legislatively or administratively mandated specialized discounts (e.g., educational institution discount)
- Customer Premise Equipment
- Enhanced Services
- Inside Wire
- Employee Concession Service Discounted services
- Voice Mail
- Calling Card